



## OFFICE OF THE TOWN ADMINISTRATOR

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(508) 839-5335

[www.grafton-ma.gov](http://www.grafton-ma.gov)

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### Frequently Asked Questions & Answers

#### Health Insurance Opt-Out Program

Below are some of the Frequently-Asked-Questions regarding the Health Insurance Opt-Out program.

- 1. Who will qualify for the opt-out payment?** A. To be eligible to participate in the voluntary program, an employee must be eligible for health insurance benefits and have been receiving health insurance benefits from the Town for the immediate previous 12 months.
- 2. What if I don't currently participate in the Town's insurance, will I be eligible to receive an opt-out payment?** A. No, you must have been receiving health insurance benefits from the Town for the immediate previous 12 months in order to be eligible.
- 3. How much will I receive for the Health Insurance Opt-out payment?** A. The Town will pay an employee covered by this program based on full benefit year participation: \$1,000 for a Single Plan and \$2,000 for a Family Plan.
- 4. How will I receive my Health Insurance Opt-Out payment?** A. You will receive your Health Insurance Opt-Out payment in your regular paycheck, in monthly installments on the last scheduled payroll of the month.
- 5. When will this Health Insurance Opt-out program be available?** A. This program is available immediately and will remain open throughout the life of the Public Employee Committee Agreement (June 30, 2018). It is possible a successor agreement will continue the opt-out program. An enrollee may opt out of the Town's health insurance plans whenever he or she has adequate alternate health insurance and meets the Town's other requirements for opting out.
- 6. How do I sign up?** A. For those who are eligible to qualify for the Health Insurance Opt-Out Program, the employee will be responsible to provide the Town with sufficient proof to verify that they have alternative coverage from another source other than the Town of Grafton or its School Department. The employee will be required to sign off on a Voluntary Waiver form and complete a HIRD (Health Insurance Responsibility Disclosure Form) as well. All documents will need to be forwarded to the Assistant Town Administrator, 30 Providence Rd, Grafton, MA 01519.
- 7. Are the Health Insurance Opt-Out payments taxable?** A. Yes, the health insurance opt-out payments are taxable.

8. **Will new hires be eligible to participate in the Health Insurance Opt-out program?** A. A new employee must receive health insurance benefits from the Town for the immediate previous 12 months before they will be eligible.
9. **Will the program be available each fiscal year?** A. The program will be available each year of the Public Employee Committee Agreement—until June 30, 2018. A successive Public Employee Committee Agreement may include the opt-out program as well. Once enrolled in the opt-out incentive program, you will be eligible to continue on an annual basis provided you submit the required documentation.
10. **What if I terminate from the Town, when will I receive my last health insurance opt-out payment?** A. You will be entitled to payment up to the month containing the date of your separation.
11. **What if my spouse and I work for the Town of Grafton, will we both be eligible to participate in the Health Insurance Opt Out Program?** A. No, if you are both employed by the Town of Grafton, you will not be eligible to enroll in the program.
12. **I get married on July 15<sup>th</sup>, 2014 which is a qualifying event and decide to opt-out of the Town's health insurance, when will I receive my first health insurance opt-out payment?** A. You have 30 days from the date of the qualifying event to make a change to your insurance. You are eligible for the Opt Out payment as long as you have met the criteria noted in Q1. If you decide that you would like to cancel your insurance as of July 31, 2014 and move to your spouse's plan, you will be required to complete the Voluntary Waiver and HIRD form and appropriate documentation from your spouse's employer to qualify for the Opt-Out payment. Once it has been determined that you qualify, you will receive your first Opt Out payment on the last scheduled payroll of the month following the effective coverage termination date. The GIC will set the effective date on the withdrawal of the insurance.
13. **I get married on July 15<sup>th</sup>, 2014, which is a qualifying event and decide to withdraw from the Opt Out Program and enroll on the Town's Health Insurance, when will I receive my last Health Insurance opt-out payment?** A. You have 30 days from the date of the qualifying event to make a change to your insurance. If you decide that you would like enroll onto the Town's insurance as of August 1, 2014, you will be required to complete GIC forms and provide additional documentation on your dependents if enrolling in a family plan. Once the GIC sets the effective date of the insurance (i.e. August 1, 2014), you will receive last Opt Out Payment in July 2014.
14. **If I opt-out and I find that I don't like my alternative coverage, can I withdraw my enrollment in the Opt-Out program and reenroll in a GIC Plan?** A. No. This is not a qualifying event. During the year, you can terminate your enrollment in the Opt-Out Program and re-enroll in the GIC benefits only if you experience a qualifying event (according to federal Internal Revenue Service (IRS) rules), such as a change in family status or loss of other coverage. You may reenroll during the next open enrollment period.

If you would like additional information, please contact the **Assistant Town Administrator at (508) 839-5335** for further details.